

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 2 6 5 0 0 7 5	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Shelfco 1234 Limited	
2	Liquidator's name	
Full forename(s)	David	
Surname	Rubin	
3	Liquidator's address	
Building name/number	Pearl Assurance House	
Street	319 Ballards Lane	
Post town	London	
County/Region		
Postcode	N 1 2 8 L Y	
Country		
4	Liquidator's name ①	
Full forename(s)	David	① Other liquidator Use this section to tell us about another liquidator.
Surname	Buchler	
5	Liquidator's address ②	
Building name/number	6	② Other liquidator Use this section to tell us about another liquidator.
Street	Grosvenor Street	
Post town	London	
County/Region		
Postcode	W 1 K 4 P Z	
Country		

LIQ14

Notice of final account prior to dissolution in CVL

6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

d 0

d 4

m 0

m 1

y 2

y 0

y 2

y 1

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Philip Kyprianou**

Company name **David Rubin & Partners**

Address **Pearl Assurance House**
319 Ballards Lane

Post town **London**

County/Region

Postcode **N 1 2 8 L Y**

Country

DX **Finchley 1**

Telephone **020 8343 5900**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IN THE MATTER OF
SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED)
- IN LIQUIDATION

AND
THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATORS' FINAL ACCOUNT
PURSUANT TO SECTION 106 OF THE INSOLVENCY ACT 1986
AND
RULE 18.14 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE PERIOD FROM 16 APRIL 2015 TO 4 NOVEMBER 2020

CONTENTS

1. Introduction
2. Statutory information
3. Joint Liquidators' names and addresses
4. Details of the Joint Liquidators' administration of the winding-up
5. Basis of Joint Liquidators' remuneration and staff allocation
6. Liquidation expenses
7. Details of unrealisable assets
8. Investigations
9. Other relevant information
10. Conclusion

APPENDICES

- A. Receipts and Payments Account from 16 April 2015 to 4 November 2020.

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION

1. Introduction

Shelfco 1234 Limited (formerly Gemini Press Limited) ("the Company") was placed into liquidation by a Special Resolution of the members followed by a meeting of the creditors convened under Section 98 of the Insolvency Act 1986 on 16 April 2015. We have now concluded our administration of the liquidation and present our final account of the liquidation, which covers the period since our last progress report.

Rule 18.14 – Content of Final Account

2. Statutory information

Company name: Shelfco 1234 Limited (formerly Gemini Press Limited)
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number: 02650075
Trading address: Unit A1 Dolphin Way, Shoreham by Sea, West Sussex, BN43 6NZ

3. Joint Liquidators' names and addresses

Jonathan James Beard and John Walters of Begbies Traynor (Central) LLP ("Begbies"), 2-3 Pavilion Buildings, Brighton, BN1 1EE were appointed Joint Liquidators of the Company on 16 April 2015.

Following a request from the major creditor, a meeting of creditors was held on 15 November 2016 at which Jonathan James Beard and John Walters were removed as Joint Liquidators. At the same meeting, it was resolved that David Rubin of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY and David Buchler of Buchler Phillips, 6 Grosvenor Street, London, W1K 4PZ be appointed as Joint Liquidators of the Company.

4. Details of the Joint Liquidators' administration of the winding-up

4.1 Receipts

4.1.1 Investments (subsidiary companies)

The Directors' Estimated Statement of Affairs as at 16 April 2015 ("ESOA") disclosed that the sum of £36,417.44 was due from two subsidiary companies which ceased to trade in 2013 and were placed into solvent liquidation in March 2015.

The solvent liquidation of one of the companies was converted to an insolvent liquidation in February 2016 following two creditors' claims coming to light in January 2016. As a result there were no recoveries from the subsidiary.

The sum of £17,812.80 was received from the solvent liquidation of the second subsidiary company.

4.1.2 Cash at bank

The ESOA disclosed cash at bank of £117.19. Following the appointment of Joint Liquidators, the Company's bank account was closed and the balance of £90.36 was remitted to the liquidation estate.

4.1.3 Sundry receipts

The sum of £1.98 was received from the Supervisor of an Individual Voluntary Arrangement in which the Company was a creditor.

4.1.4 Settlement proceeds

The main purpose of the appointment of David Buchler and myself, David Rubin, as Joint Liquidators was to investigate the conduct of the Directors of the Company prior to the liquidation and to realise any potential return to creditors in this regard. This is discussed in detail in Section 8, below.

Following a Mediation, the Company and the Directors reached a settlement in which the Directors on a joint and several basis would pay the total sum of £350,000 into the liquidation estate. The settlement agreement was signed on 1 August 2018 and the payment terms were as follows:-

£50,000 within 7 days of the Agreement;
£75, 000 within 3 months of the Agreement date; and
£225,000 within 6 months of the Agreement date.

Payment was received in full and on time.

In addition, during the course of their investigations, the Joint Liquidators at Begbies revealed some historic funds due from a former Director of the Company, who was deceased when the Company entered liquidation. After reviewing the position and liaising with the Directors of the Company to quantify the amount due, Begbies negotiated a settlement in which the former Director's estate paid the sum of £15,000 in settlement of all sums due.

4.1.5 Sundry refund

The amount of £382.03 was received from Lex Autolease Ltd in respect of a refund due to the Company.

4.1.6 Bank interest received

The funds in hand are held in an interest bearing account with a High Street bank in the Office Holder's name.

Interest earned on the funds in hand amounts to £455.29.

4.2 Payments

4.2.1 Statement of Affairs fee

A fee of £5,000 was paid to Begbies for the assistance given to the Directors of the Company in notifying and convening the members and creditors meetings pursuant to Section 98 of the Insolvency Act 1986 and the preparation of the Statement of Affairs and Directors' Report to creditors.

4.2.2 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Joint Liquidators, as required by the Insolvency Practitioners Regulations 2005. The amount of £683.70 has been paid in this regard.

4.2.3 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meeting of members and creditors, including notice of the appointment of the Joint Liquidators, for creditors to submit their claims in the liquidation and the notice of intended dividend. Statutory advertising costs of £435.28 have been paid.

4.2.4 Storage costs

My firm uses a commercial archiving company for storage facilities for the Company's records and papers. This is recharged at the rate of £10 per box per quarter and includes a small charge to cover the administration costs of archiving and retrieval of documents. We are also required to keep our working papers for 6 years from the conclusion of the liquidation. Storage costs of £79.90 have been charged.

4.2.5 Professional fees

The amount of £2,040 was paid to Pall Mall Investments Ltd ("Pall Mall") as a reimbursement of their costs associated with obtaining Counsel's advice.

Fees of £12,000 were paid to MFASL for litigation support in respect of the settlement agreement detailed in Section 8, below and Begbies also paid professional fees of £3,150 during the period of their appointment.

4.2.6 Legal fees

Clarke Mairs LLP Solicitors were instructed to advise on the claims against the Directors, assist with formulating a claim and negotiating a settlement. They were paid fees totalling £39,200.

Clarke Mairs LLP specialise in insolvency and litigation and were chosen on that basis after taking into account the size and complexity of the legal issues. Clarke Mairs LLP charge their fees on a time costs basis and they have provided us with details of tasks performed.

Begbies incurred legal fees of £4,211.50 during the period of their appointment as Joint Liquidators.

4.2.7 Legal disbursements

Clarke Mairs LLP have been paid legal disbursements totalling £3,941.82.

4.2.8 Postage costs

Postage costs of £31.93 were recovered by Begbies.

4.2.9 Corporation Tax

Corporation Tax was due on interest received. The amount of £78 shown in the receipts and payments account represents tax paid to HM Revenue and Customs.

4.2.10 Joint Liquidators' remuneration

Jonathan James Beard and John Walters of Begbies have drawn Joint Liquidator's remuneration of 35,205.59.

I, David Rubin of David Rubin & Partners have drawn Joint Liquidator's remuneration of £50,400 and David Buchler of Buchler Phillips has drawn Joint Liquidator's remuneration of £42,600.

5. Basis of Joint Liquidators' remuneration and staff allocation

5.1 Basis of remuneration

At the initial meeting of creditors convened under Section 98, our predecessors obtained creditors' approval for the Joint Liquidators fees to be based on time costs.

Following our appointment as Joint Liquidators, we agreed with the main creditors for our fees to be based on a percentage basis. Accordingly, a vote by correspondence of creditors was sought and the creditors resolved that the Joint Liquidators would charge fees on a percentage basis, being 20% on realisations and 10% on distributions, which is a basis permitted under Rule 18.16(2)(a)(ii) of the Insolvency Rules (England and Wales) 2016. This basis was favourable to creditors as even a low settlement would still result in creditors being paid a dividend whilst on a time cost basis all of the realisations could potentially be absorbed by the Joint Liquidators' remuneration and expenses.

In view of the above, we wrote to creditors on 6 August 2018 in order to formalise this fee basis by obtaining creditors' approval via a Decision Procedure which was successfully approved on 22 August 2018.

5.2 Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator, and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

5.3 Joint Liquidators' remuneration

5.3.1 The amounts drawn as Joint Liquidators' remuneration are given in Section 4.2.10 above.

5.3.2 To view an explanatory note concerning Liquidators' remuneration approved by the Joint Insolvency Committee, please visit the Publications folder on our website www.drpartners.com/cases, using the following log-on details:

USERNAME: BPS101@drco.co.uk

PASSWORD: 101Spbem*!

5.3 Joint Liquidators' remuneration ... continued.

Alternatively, please contact this office to arrange for a copy to be sent to you.

5.3.3 Included in the work undertaken by us as Joint Liquidators and our staff is the following:-

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims;
- ii) In-depth investigations into the Company's book and records, correspondence and e-mails;
- iii) Preparation and circulation of our annual progress reports and Receipts and Payments Accounts to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies;
- iv) Liaising with the former Joint Liquidators at Begbies to receive the relevant liquidation documentation and the Company's books and records;
- v) Instructing solicitors, Clark Mairs LLP, to assist with formulating a claim against the Directors with a view to making recoveries for the benefit of the unsecured creditors;
- vi) Providing Clark Mairs LLP with a report on the findings of our investigations and extracted correspondence regarding matters which formed the basis of the claims being formulated;
- vii) Preparing all necessary documentation and attending the Mediation in July 2018 in order to negotiate a settlement with the Directors of the Company to provide the best return to creditors;
- viii) Monitoring receipt of the payments due following the Settlement Agreement dated 1 August 2018;
- ix) Lengthy discussions and correspondence with the major creditor of the Company in relation to their queries and our proposed fee basis;
- x) Circulating creditors with details of the Decision Procedure in order to agree our fees as Joint Liquidators;
- xi) Adjudicating the claims of unsecured non-preferential creditors and distributing two dividends to them;
- xii) Filing the appropriate documents relating to the liquidation at Companies House;
- xiii) Applying for the Joint Liquidators' bond, as required by the Insolvency Practitioners Regulations 2005;
- xiv) Publishing the necessary statutory advertisements in respect of the liquidation proceedings;
- xv) Opening a designated bank account and dealing with the movement of funds;

5.3 Joint Liquidators' remuneration ... continued.

- xvi) Preparation and submission of the relevant VAT and Corporation Tax returns to HM Revenue & Customs; and
- xvii) Preparation of our final report and Receipts and Payments Account to creditors pursuant to Section 106 of the Insolvency Act 1986.

6. Liquidation expenses

Expenses incurred in the liquidation are explained in Section 4.2, above, in our comments on the Receipts and Payments Account.

7. Details of unrealisable assets

There are no assets remaining to be realised.

8. Investigations

- 8.1 Some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.
- 8.2 The Joint Liquidators' report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted by Begbies during the first year of the liquidation and is confidential.
- 8.3 Since our last progress report we would advise that no further assets have come to light that may be pursued by us for the benefit of creditors.
- 8.4 The main purpose of our appointment was to investigate the conduct of the Directors of the Company prior to the liquidation. The main creditor of the Company, Pall Mall had a substantial outstanding liability which was shown on the ESOA as being in the region of £234,500. There were few other trade creditors. In the year ended 31 July 2013 the Company's audited financial statement showed that the Company's turnover was £10.3 million. The debts owed to Pall Mall arose out of a guarantee given by the Company to Pall Mall in respect of a lease on a property at Ghyll Road Industrial Estate, Heathfield, East Sussex taken by VIP Print Limited ("VIP"). VIP went into insolvent liquidation in 2011.

On 15 May 2013, the sole shareholder of the Company, John Boyle incorporated a new company, Gemini Print Southern plc which was re-registered as a limited company on 24 July 2013 with the name Gemini Press Southern Limited ("GPS"). Shortly after that, all the business and trade including creditors were transferred from the Company to Gemini. However, a few selected creditors, such as Pall Mall and the local council, were not transferred to Gemini, seemingly because they would not disrupt the business going forward.

Our predecessor Liquidators took the view that the transfer of the business was not a transaction at an undervalue despite repeated requests by Pall Mall to take action against the Directors. Our predecessors were willing to conclude their administration of the liquidation and in principle therefore, to write off their unpaid time costs as irrecoverable.

8. Investigations ... continued.

Following our appointment as replacement Liquidators, we carried out an in-depth review of the Company's books and records in order to establish the position and whether some creditors had been unfairly treated. Our investigations have included examinations of not only books and records but also correspondence and emails.

Following our review of the Company's financial affairs and the Directors' conduct, we, together with our lawyers, have come to the conclusion that the Directors' intention was to devise a scheme, effectively an informal prepack, whereby the business, goodwill and all the other assets of the Company would be transferred to a new company. The creditors selected by GPS as crucial to their ongoing trade were paid in full, whilst other creditors of the Company, including the majority creditor, remained unpaid.

As a result of our findings, a letter of claim was despatched by our lawyers in September 2017 to all the Directors, suggesting that they have caused, permitted or allowed the Company to enter into transactions in clear breach of their fiduciary duties owed to the Company.

The lawyers representing the Directors responded to our letter of claim in November 2017. Whilst disputing some of the allegations, they requested that we consider alternative dispute mechanisms to resolve issues outlined in our letter of claim. Following internal meetings with our lawyers, we agreed to attend a Mediation on 10 July 2018.

At the Mediation a Settlement Agreement was reached in which the Directors on a joint and several basis agreed to pay the total sum of £350,000 to the Joint Liquidators over a period of 6 months in full and final settlement of the matter. This sum was received in full.

9. Other relevant information

9.1 Secured creditors

The Company has no secured creditors.

9.2 Prescribed part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003, and made available for the satisfaction of unsecured debts.

This regulation does not apply as the Company has not granted any floating charges.

9.3 Preferential creditors

There are no preferential creditors in the liquidation.

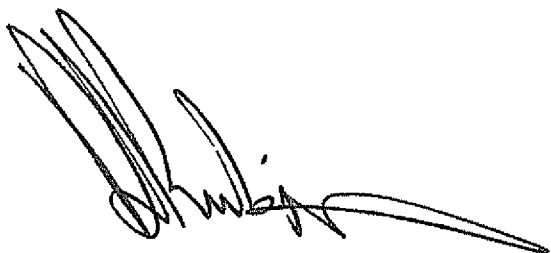
9.4 Unsecured creditors

The claims of 6 unsecured creditors totalling £494,258 have been received and agreed for dividend purposes compared to 11 creditors totalling £538,619 disclosed on the ESOA. A first dividend of 25 pence in the £, totalling £123,564.54, was paid to unsecured non-preferential creditors on 26 July 2019.

A second and final dividend of 12.37p in the £, totalling £61,120.20 was paid to unsecured non-preferential creditors on 26 July 2019.

10. Conclusion

This final account will conclude our administration of this case. We trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance our Manager, Philip Kyprianou, at this office.



DAVID RUBIN – JOINT LIQUIDATOR

4 November 2020

SHELF CO 1234 LIMITED - IN LIQUIDATION
LIQUIDATOR'S FINAL RECEIPTS AND PAYMENTS ACCOUNT
FROM 16 APRIL 2015 TO 4 NOVEMBER 2020

	<u>Estimated</u> <u>To Realise</u>	<u>Realised</u>	<u>Period</u> <u>15-Nov-19 to</u> <u>04-Nov-20</u>
£	£	£	£
<u>Balance brought forward</u>			184,804.74
<u>Receipts</u>			
Investments (subsidiary companies)	36,417.44	17,812.80	-
Cash at bank	117.19	90.36	-
Sundry receipts	<u> </u>	1.98	-
Settlement proceeds		365,000.00	-
Sundry refund		382.03	-
Bank interest received		455.29	35.90
		<u>383,742.46</u>	<u>184,840.64</u>
<u>Payments</u>			
Statement of Affairs fee		5,000.00	-
Specific bond		683.70	-
Statutory advertising		435.28	-
Storage costs		79.90	79.90
Professional fees		17,190.00	-
Legal fees		43,411.50	-
Legal disbursements		3,941.82	-
Postage costs		31.93	-
Corporation Tax		78.00	76.00
Liquidator's remuneration			
<i>Begbies Traynor</i>		35,205.59	-
<i>David Rubin & Partners</i>		50,400.00	-
<i>Buchler Phillips</i>		42,600.00	-
		<u>199,057.72</u>	<u>155.90</u>
<u>Receipts less Payments</u>		<u>184,684.74</u>	<u>184,684.74</u>
<u>Unsecured Creditors</u>			
6 creditors with claims totalling £494,258			
1st dividend of 25p in the £ paid on 26/07/19	123,564.54		
2st dividend of 12.37p in the £ paid on 13/12/19	<u>61,120.20</u>		
		<u>184,684.74</u>	